

Amendment No. 1 to HB3206

**Fitzhugh
Signature of Sponsor**

FILED
Date _____
Time _____
Clerk _____
Comm. Amdt. _____

AMEND Senate Bill No. 3423

House Bill No. 3206*

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. The title of this act is, and may be cited as, the "TennCare Pharmacy Cost to Dispense Act of 2006".

SECTION 2. Tennessee Code Annotated, Section 4-3-1013, is amended by inserting the following language as a new subsection (f) thereto:

(f) The TennCare Bureau shall be required to competitively procure an annual study designed to accurately assess the cost of dispensing a prescription in a retail or community pharmacy setting to a TennCare enrollee. The study must be performed by a postsecondary academic institution with knowledge of pharmacy business operations and that has the expertise to conduct business cost allocation studies and must include all nationally recognized and accepted parameters of a typical "cost to dispense" study. Additional parameters may be added by the researchers awarded the study contract in order to accurately reflect the nature of pharmacy practice in the TennCare preferred drug list environment. The study shall include retrospective analyses designed to provide a current estimation of the cost to dispense and the contracted researchers shall report their findings to the TennCare oversight committee of the general assembly, the commissioner of finance and administration, and the bureau of TennCare on or before January 15th of each calendar year, beginning on January 15, 2007.

SECTION 3. The implementation of provisions of this act shall be subject to the availability of funding for such purpose.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.